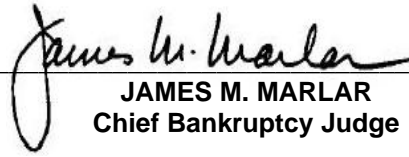


SIGNED.



Dated: October 08, 2009


JAMES M. MARLAR
Chief Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

In re:) Chapter 11
CHARLES JOHN CROWELL and)
CHRISTA KAYE CROWELL,) No. 4:09-bk-07333-JMM
)
) **MEMORANDUM DECISION**
)
) **(RELATES TO ADVERSARY 09-743)**
)
_____ Debtors.)

Before the court is a motion to abstain and to remand a removed case (DN 71).

The necessary procedural background is that a case, pending in Cochise County, was removed to this court on July 6, 2009 by various non-debtor entities. (See DN 1, Adversary No. 09-743.) The matters in the state court proceeding affect the rights of entities or individuals who are not debtors in the bankruptcy court. The only party in bankruptcy, with a personal property interest (as a member of a non-bankruptcy entity) are the Debtors. In addition, to the extent the Debtors are parties to continuing guarantees, that portion of the state court action is stayed. 11 U.S.C. § 362(a). Any party with a monetary claim against the Debtors is free to file a proof of claim in the bankruptcy court, within the deadlines set by the court.

Although the parties attempted to settle the matter through a settlement conference held by Judge Eileen Hollowell, that effort failed.

The only parties opposing the remand are non-debtor entities, who claim to have a non-dischargeable obligation owed to them by the Debtors. They have filed a separate adversary proceeding against the Debtors on that § 523 claim (Adversary No. 09-823). They argue that they

1 will have to "try the same case twice" if the state court action involving all the non-debtor entities
2 is remanded back to state court.

3 As this court views the matter, that reason is too slim a reed to hold up a state court's
4 determination of state law claims by and between non-debtor parties. The bankruptcy court
5 arguably has no core or related-to jurisdiction, in any event, sufficient to authorize it to usurp the
6 state court's very proper, and complete jurisdiction over the state court issues between non-debtor
7 parties. There is no need to bifurcate the resolution of those claims. If this means a longer trial of
8 the non-dischargeability issues against these Debtors in the bankruptcy court, this court has both the
9 core jurisdiction, and the time, to properly adjudicate such matters.

10 Accordingly, a separate order will be entered which (1) grants the motion to remand
11 (abstention is an unnecessary element thereof since the Debtors are still protected by the automatic
12 stay), and (2) orders the Bankruptcy Court Clerk to close, as moot, Adversary No.09-743.

13
14 DATED AND SIGNED ABOVE.

15
16 COPIES to be sent by the Bankruptcy Notification
17 Center ("BNC") to the following:

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